

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### **D Addario & Company, Inc.**

Puerto Rico Manufacturing Extension Inc

#### **D'Addario & Company Reduces Costs with Lean**

##### **Client Profile:**

D'Addario & Company, Inc., founded in 1973, is a leading manufacturer of strings, drum heads and other musical accessories. D'Addario produces and manages the distribution of more than 6,000 styles of products. The family-owned business employs 499 people at its headquarters in Farmingdale, New York.

##### **Situation:**

D'Addario's decided to implement a Lean Transformation project to increase working capacity, reduce work in process, improve manufacturing lead time, and develop a sustainable improvement process. The company had introduced a 5S initiative in the past, but it was not sustained due to lack of proper cultural change. D'Addario acquired a new management team member from the Caribbean area who had prior contact with the Puerto Rico Manufacturing Extension Inc. (PRIMEX), a NIST MEP network affiliate. The team member contacted PRIMEX to deliver a formal presentation of its Lean services. The Long Island Forum for Technology (LIFT), a NIST MEP network affiliate and division of the New York Manufacturing Extension Partnership, was invited by PRIMEX to participate and, after evaluating all options, agreed to assist PRIMEX with the project.

##### **Solution:**

PRIMEX delivered its Lean training program to 12 Lean champions and, in conjunction with LIFT, oversaw the implementation of improvement projects in the company's strings and drum head manufacturing areas. In addition, a Value Stream Mapping of the incoming orders, 5S (Sort, Set in Order, Shine, Standardize, Sustain), visual controls and standardization, flexibility of employees (cross training), and a pull Kanban were conducted in the distribution warehouse.

##### **Results:**

- \* Realized \$500,000 in cost savings.
- \* Improved on-time delivery from 61 percent to 99 percent.
- \* Reduced labor time by 25 percent.
- \* Reduced errors by 50 percent.
- \* Increased floor space by 15 percent.
- \* Reduced shipping carton styles from 22 to 9.

##### **Testimonial:**

"D'Addario's embrace of Lean principles started over one year ago when the company appointed 12 Lean champions. The results of this effort are expressed in a dense, ten-foot flow chart that nearly fills a wall in the front of the building."

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John Scalzo, Director, East Coast Operations